# AMENDED IN SENATE JULY 9, 2003 AMENDED IN ASSEMBLY JUNE 2, 2003

CALIFORNIA LEGISLATURE—2003-04 REGULAR SESSION

### ASSEMBLY BILL

No. 857

### **Introduced by Assembly Member Frommer**

February 20, 2003

An act to add Section 12734 and 12739.5 to the Insurance Code, relating to health insurance, and making an appropriation therefor. An act to add and repeal Part 4 (commencing with Section 1000) of Division 1 of the Health and Safety Code, relating to autism.

#### LEGISLATIVE COUNSEL'S DIGEST

AB 857, as amended, Frommer. Major Risk Medical Insurance Program Developmental disabilities: autism.

The Lanterman Developmental Disabilities Services Act requires the State Department of Developmental Services to contract with regional centers for the provision of various services and supports to persons with developmental disabilities, including autism. Existing law requires the department to develop evaluation and diagnostic procedures for the diagnosis of autism disorder and all other autistic spectrum disorders that may be utilized by clinical staff at regional centers, and to develop a corresponding training program for the staff to be implemented on or before July 1, 2002.

This bill would establish within the department, an Autism Information Resource Center (office) pilot program, to initially serve families in Los Angeles County in order to test the efficacy of assisting families by designating a single agency as a central source of

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information for autism treatment and support services, and other information about autism. The office would be headed by an Autism Information Resources Director who would be appointed by the Director of Developmental Services.

This bill would require the office to assist families in Los Angeles County to identify appropriate services for autistic children from available resources, including, but not limited to, private health insurance plans, departmental services, regional centers, and services within the State Department of Education and local school districts.

This bill would require the department to use existing resources and seek federal and private funding to implement the provisions of the bill. This bill would provide that the pilot program will be repealed on January 1, 2009.

Existing law creates the Major Risk Medical Insurance Program, administered by the Managed Risk Medical Insurance Board, in order to provide health insurance to persons who are unable to secure adequate coverage because of preexisting conditions.

This bill would require the board to seek federal funding for high risk health insurance pools pursuant to the federal Trade Act of 2002. The bill would provide that individuals who are eligible for tax credits under that federal law would be eligible to purchase health insurance through the program. Because the bill would require federal funds received by the board in this regard to be deposited in the Major Risk Medical Insurance Fund, a continuously appropriated fund, the bill would make an appropriation.

These provisions of the bill would not become operative unless the board determines that the bill will provide federal funds to the program that will offset additional costs incurred by the program.

Vote: majority. Appropriation: yes no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 12734 is added to the Insurance Code,
- 2 SECTION 1. The Legislature finds and declares all of the 3 following:
- 4 (a) Children are being diagnosed with autism spectrum
- 5 disorders at an alarming and rapidly increasing rate, with these
- 6 disorders affecting as many as one in 250 children.

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(b) The State Department of Developmental Services documented a 273 percent increase in the number of autism cases in California alone. This number was later substantiated by a followup study conducted by the M.I.N.D. Institute at the U.C. Davis Medical Center.

- (c) Numerous studies have established the importance and effectiveness of early intervention and treatment for infants diagnosed with an autistic disorder.
- (d) As the number of children with autism spectrum disorders 10 continues to increase, there is also increased need for assistance in helping families find available services and supports.
  - (e) By necessity, families of children with autism spectrum disorders seek treatment, services, and assistance from a wide array of public and private health care, educational, and social services resources.
  - (f) Families would be better able to access early intervention and appropriate treatment or services for autism spectrum disorders if information and assistance regarding existing support services, treatment services, education services, and parent's rights and options were available from a single agency.
  - SEC. 2. Part 4 (commencing with Section 1000) is added to Division 1 of the Health and Safety Code, to read:

## INFORMATION RESOURCE CENTER PILOT PROGRAM FOR FAMILIES WITH CHILDREN WITH **AUTISM SPECTRUM DISORDERS**

*1000*. For purposes of this part, the following definitions apply:

- (a) "Department" means the State **Department** Developmental Services.
  - (b) "Office" means the Autism Information Resource Center.
- 1010. An Autism Information Resource Center is created as a pilot program within the department to initially serve families in Los Angeles County in order to test the efficacy of assisting families by designating a single agency as a central source of
- information for autism treatment and support services, and other 37
- information about autism.

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1 1020. The office shall be headed by the Autism Information 2 Resources Director, who shall be appointed by the Director of 3 Developmental Services.

- 1030. The office shall assist families in Los Angeles County to identify appropriate services for autistic children from available resources, including, but not limited to, private health insurance plans, departmental services, regional centers, and services within the State Department of Education and local school districts.
- 1040. The department shall assign personnel to the office. The department may employ or contract with experts when necessary to carry out the functions of the office, to the extent permitted by law.
- 1050. (a) This part shall be implemented with existing resources, along with resources available pursuant to subdivision (b).
- (b) The department shall seek federal and private funding sources for purposes of funding the office.
- 1060. This part shall remain in effect only until January 1, 2009, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2009, deletes or extends that date. to read:
- 12734. (a) The intent of this section is to implement provisions of Title II of the federal Trade Act of 2002 (P.L. 107-210) by providing a wide choice of health insurance options for cligible individuals to purchase and thereby receive a federal tax credit as provided by those provisions.
- (b) Individuals who are eligible for tax credits pursuant to Title II of the federal Trade Act of 2002 (P.L. 107-210) shall be eligible to purchase health insurance through the program.
- SEC. 2. Section 12739.5 is added to the Insurance Code, to read:
- 12739.5. (a) The board shall seek federal funding for high risk health insurance pools pursuant to Title II of the federal Trade Act of 2002 (P.L. 107-210).
- (b) Federal funds received pursuant to this section shall be deposited in the fund and shall be expended by the board for the purposes of this part.
- SEC. 3. Sections 1 and 2 of this act shall not become operative unless the Major Risk Medical Insurance Board determines, based on an actuarial analysis performed at its request, that Sections 1

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- and 2 of this act will result in the provision of federal funds to the
- 2 Major Risk Medical Insurance Program that will offset any
- 3 additional costs incurred by the program resulting from making
- 4 additional individuals eligible for the program under this Sections
- 5 1 and 2 of this act.